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6 **BEFORE THE INSURANCE COMMISSIONER**
7 **OF THE STATE OF WASHINGTON**

8 In the Matter of

NO. G 02-45

9 THE APPLICATION REGARDING
10 THE CONVERSION AND
11 ACQUISITION OF CONTROL OF
12 PREMERA BLUE CROSS AND ITS
13 AFFILIATES

OIC STAFF'S RESPONSE TO
PREMERA'S MOTION FOR ORDER
DIRECTING OIC STAFF TO
WITHHOLD DISCLOSURE OF
PORTIONS OF THE MERCER
REPORT

14 The Office of the Insurance Commissioner's Staff ("OIC Staff"), by and through
15 their attorneys, Christine O. Gregoire, Attorney General, and Melanie deLeon, Assistant
16 Attorney General, respectfully files this Response to Premera's Motion For Order Directing
17 OIC's Staff to Withhold Disclosure of Portions of the Mercer Report ("Motion").

18 The OIC Staff does not object *in general* to Premera's Motion, however, the OIC
19 Staff has the following comments regarding two of the specific redactions proposed by
20 Premera to the Mercer Report:

- 21 • **Page 14.** The OIC Staff objects to redacting the 75th Percentile, Median,
22 Average, and 25th Percentile numbers from the table on this page. The
23 percentiles, median and average numbers are not proprietary information; in fact
these numbers are not from Premera, but are mathematical calculations derived
from the non-redacted numbers in the tables.
- 24 • **Page 14.** The OIC Staff objects to redacting the "Premera vs. Peer Group
25 Median" percentage on the bottom of the table. This percentage does not contain
26 any equity grant information related to Premera employees. This percentage is

not proprietary, nor does it contain a trade secret. Disclosing this percentage would not put Premera at a competitive disadvantage.

RESPECTFULLY SUBMITTED this 3rd day of DECEMBER, 2003.

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